

Message Text

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PAGE 01 NEW DE 05272 051439Z
ACTION ACDA-12

INFO OCT-01 NEA-10 ISO-00 CIAE-00 EUR-12 H-02 INR-10
IO-14 L-03 NSAE-00 OIC-02 OMB-01 PA-02 PM-05
SP-02 SS-15 ICA-20 TRSE-00 DODE-00 NSC-05 NRC-07
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E.O. 11652: N/A
TAGS: TECH PEPR IN US
SUBJECT: PRESS COMMENT ON NUCLEAR MATTERS

1. THE APRIL 4 "HINDU" CARRIED A LONG ARTICLE ON INDO-US
NUCLEAR RELATIONS BY EASWAR SAGAR, ITS WASHINGTON
CORRESPONDENT. SAGAR REPORTS THAT NOSEPH NYE, DURING HIS
DISCUSSIONS HERE LAST YEAR, FORMED THE IMPRESSION THAT
PM DESAI WAS WILLING TO ACCEPT FULLSCOPE SAFEGUARDS
PROVIDED THE INDIAN ATOMIC ENERGY ESTABLISHMENT HAD
NO OBJECTIONS. INDIAN ATOMIC ENERGY OFFICIALS IN
TROMBAY HAD A LOT OF OBJECTIONS AND THE PM
SUBSEQUENTLY STIFFENED HIS POSITION ON SAFEGUARDS.

2. NEVERTHELESS SAGAR WRITES, DESAI HAS MADE, PUBLICLY
AND PRIVATELY, A SERIES OF UNILATERAL CONCESSIONS SUCH AS
HALTING UNDERGROUND NUCLEAR TESTS AND AGREEING TO ACCEPT
SAFEGUARDS WHEN THE UK, US AND USSR AGREE ON A CTB
AND BEGIN TO MOVE TOWARDS REDUCTION AND ELIMINATION
OF NUCLEAR STOCKPILES. SAGAR THINKS IT CURIOUS THAT
NO US OFFICIAL HAS AGREED TO INDIA'S TERMS FOR
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 NEW DE 05272 051439Z

ACCEPTING SAFEGUARDS.

3. SAGAR WONDERS WHETHER INDIA WILL BE GIVEN THE
18 MONTHS PERMITTED BY THE 1978 NON-PROLIFERATION ACT
TO MAKE UP ITS MIND ON SAFEGUARDS, AND SPECULATES THAT
IF INDIA IS SO "TIMID" AS TO ACCEPT SAFEGUARDS,
SHE WILL THEN BE PRESSURED TO:

--GIVE UP PLANS FOR REPROCESSING SPENT FUEL OF NON-US
ORIGIN;

--SCRAP PLANS FOR A FAST BREEDER REACTOR; AND

--ACCEPT BILATERAL US INSPECTIONS. SAGAR REPORTS THAT
THE US IS NOW PRESSURING MEXICO, AN NPT SIGNER,
TO ACCEPT BILATERAL US INSPECTIONS.

4. SAGAR PREDICTS THAT CONGRESS WOULD NOT PERMIT
PRESIDENT CARTER TO WAIVE IN INDIA'S CASE THE
"DISCRIMINATORY" PROVISIONS OF THE NON-PROLIFERATION ACT. HE
EXPECTS US OFFICIALS TO PRESS DESAI DURING HIS US VISIT
FOR AN EARLY DECISION ON SAFEGUARDS, EVEN THOUGH THE
US WILL NOT BE IN A POSITION TO RESPOND TO INDIA'S
TERMS (PARA 2 ABOVE). "SOONER OR LATER INDIA WILL HAVE
TO BITE THE BULLET AND TELL THE US THAT SAFEGUARDS
CANNOT BE PART OF A NONE SIDED DEAL." THIS WILL MEAN
THAT INDIA WILL HAVE TO GO IN FOR AN ALTERNATIVE
FUEL SYSTEM WHICH, SAGAR SUGGESTS, CAN BE DEVELOPED
WHILE TAKING THE US TO INTERNATIONAL ARBITRATION OVER ITS
ABROGATION OF THE TARAPUR FUEL SUPPLY AGREEMENT.

SAGAR SAYS MYRON KRATZER BELIEVES THAT AN ARBITRATION
PANEL WOULD RULE IN FAVOR OF INDIA. MOREOVER WHILE
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UNCLASSIFIED

PAGE 03 NEW DE 05272 051439Z

THE CASE IS BEING ARBITRATED, THE US WOULD BE OBLIGED
TO CONTINUE FUEL SHIPMENTS UNDER THE ORIGINAL CONTRACT.
SAGAR QUOTES A GERMAN NUCLEAR SPECIALIST (KARL KAISER,
WRITING IN THE LATEST "FOREIGN POLICY") TO SHOW THAT
THE WORLD WILL NOT ACCEPT US ABROGATION OF ITS SUPPLY
COMMITMENT SIMPLY BECAUSE IT HAS CHANGED ITS MIND. FOR
SOME STRANGE REASON, INDIAN AMBASSADOR PALKHIVALA HOLDS
THE OPPOSITE OPINION AND MOREOVER, ATTRIBUTES
PRESIDENT CARTER'S "COLD AND BLUNT LETTER" REMARK TO
INDIAN "INFLEXIBILITY."

5. SAGAR CONCLUDES THAT INDIA AND THE US SHOULD BE
ABLE TO CONTINUE "CIVILIZED AND AMICABLE" RELATIONS IN
THE EVENT OF A TERMINATION OF INDIA-US NUCLEAR
COOPERATION. HE DRAWS A PARALLEL BETWEEN THE PRESENT SITUATION
AND CONGRESS REFUSAL TO REDEEM PRESIDENT KENNEDY'S
PLEDGE TO FINANCE THE BOKARO STEEL MILL AND SUGGESTS THAT
INDIA WILL ACT WITH DIGNITY AND UNDERSTANDING.

6. THE SAME EDITION OF THE "HINDU" CARRIED
ANOTHER SAGAR STORY REPORTING THAT SECRETARY VANCE HAD
RECOMMENDED TO PRESIDENT CARTER A DISARMAMENT PLAN

WHEREBY THE NUCLEAR WEAPONS STATES WOULD CEASE PRODUCTION OF PLUTONIUM AND ENRICHED URANIUM FOR MILITARY PURPOSES. THE PLAN, SAGAR SAYS, ALLEGEDLY QUOTING SECRETARY VANCE'S LETTER, "DIRECTLY ADDRESSES THE CONCERNS OF PRIME MINISTER DESAI OF INDIA AND HENCE WOULD IMPROVE THE PROSPECT OF INDIAN ACCEPTANCE" OF US SAFEGUARDS DEMANDS. THE SECRETARY'S PROPOSAL, WHICH HE HOPED TO PRESENT TO THE SSOD, IS INTENDED TO LESSEN THE APPEARANCE OF DISCRIMINATION AGAINST NON-NUCLEAR WEAPONS STATES SUCH AS INDIA. SAGAR OBSERVES THAT SECRETARY VANCE'S PROPOSAL HAS A DIM FUTURE IN THE FACE OF PENTAGON DISAPPROVAL AND PAST PERFORMANCE OF THE OTHER FOUR NUCLEAR POWERS.

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 NEW DE 05272 051439Z

7. WARREN UNNA REPORTS IN THE APRIL 5 "STATESMAN" THAT THE NRC ON APRIL 4 POSTPONED, AGAIN FOR LACK OF A QUORUM, ANNOUNCING APPROVAL OF THE LONG-DELAYED URANIUM FUEL SHIPMENT FOR TARAPUR.
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